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BILL NO. 5-16-17-1 (A)

SUMMARY – An ordinance to amend Title 8 of the Clark County Code by adding a new Chapter 8.65 (“Retail Marijuana Establishments”), and amending Title 12, Section 12.06.030 and Title 24, Section 24.34.030 to establish regulations pertaining to the operation of retail marijuana establishments including operational requirements, fees and exemptions; providing that certain acts are unlawful; and providing for other matters properly relating thereto.

ORDINANCE NO.

4486

(of Clark County, Nevada)

AN ORDINANCE TO AMEND TITLE 8 OF THE CLARK COUNTY CODE BY ADDING A NEW CHAPTER 8.65 (“RETAIL MARIJUANA ESTABLISHMENTS”) AND AMENDING TITLE 12, SECTION 12.06.030 AND TITLE 24, SECTION 24.34.030 TO ESTABLISH REGULATIONS PERTAINING TO THE OPERATION OF RETAIL MARIJUANA ESTABLISHMENTS INCLUDING OPERATIONAL REQUIREMENTS, FEES AND EXEMPTIONS; PROVIDING THAT CERTAIN ACTS ARE UNLAWFUL; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.
E BOARD OF COUNTY COMMISSIONERS DOES ORDAIN AS FOLLOWS:

SECTION 1. Title 8 of the Clark County Code is amended by the addition of new chapter 8.65 to read as follows:

SECTIONS:

8.65.005 - Findings.

8.65.010 - Definitions.

8.65.010.005 - Community facility.

8.65.010.010 - County.

8.65.010.020 - Department.

8.65.010.025 - Department of Taxation ("DOT")

8.65.010.030 - Division.

8.65.010.035 - Gross revenue.

8.65.010.040 - Inventory control system.

8.65.010.045 - Marijuana.

8.65.010.050 - Marijuana cultivation facility.

8.65.010.055 - Marijuana distributor.

8.65.010.060 - Marijuana establishment.

8.65.010.065 - Marijuana establishment agent.

8.65.010.075 - Marijuana product manufacturing facility.

8.65.010.080 - Marijuana products.

8.65.010.085 - Marijuana testing facility.

8.65.010.090 - Master marijuana establishment license.

8.65.010.095 - Retail marijuana Establishment.

8.65.010.100 - Retail Marijuana Establishment License.

8.65.010.105 - Retail marijuana Store.

8.65.030 - Compliance with state and county laws and regulations.

8.65.040 - License required.

8.65.050 - Application for a business license.

8.65.060 - Public safety inspections.

8.65.065 - Confidential and private consultation.

8.65.070 - Suitability investigation.

8.65.080 - Application fee.

8.65.090 - License fees.

8.65.100 - Subject to investigation, inspection and audit.

8.65.110 - Support businesses to marijuana establishments.

8.65.120 - Product testing and reports.

8.65.130 - Sale or production of products.

8.65.133 - Transport of marijuana and marijuana products by a marijuana distributor.

8.65.135 - Transportation of marijuana and marijuana products by a marijuana cultivation facility, marijuana testing facility, marijuana product manufacturing facility and marijuana retail store.

8.65.140 - Delivery of products to consumers.

8.65.160 - Duties of licensee.

8.65.170 - Disposal of waste.

8.65.180 - Record keeping.

8.60.190 - Signs and advertising.

8.65.200 - State license.

8.65.210 - Change in ownership or location.

8.65.220 - Change in other information.

8.65.230 - Annual renewal of medical marijuana establishment business license.

8.65.240 - Local community benefit and involvement.

8.60.250 - Denial of an application; suspension or revocation of a license.

8.65.260 - Emergency temporary suspension.

8.65.270 - Appeal of denial, suspension, revocation or nonrenewal.

8.65.280 - Hearing requirements.

8.65.290 - Hearing evidence.

8.65.005 - Findings.

On November 8, 2016, in the interest of public health and public safety, and in order to better focus state and local law enforcement resources on crimes involving violence and personal

property, the people of the State of Nevada approved Ballot Question #2 legalizing the use of marijuana for persons 21 years of age or older, and providing that its cultivation and sale should be regulated similar to other legal businesses. Ballot Question #2 is codified in Nevada Revised Statute 453D ("NRS 453D") and directs the Nevada State Department of Taxation ("DOT") will promulgate regulations within Nevada Administration Code 453D ("NAC 453D") for the operation of marijuana establishments.

Regulated marijuana establishments include marijuana cultivation facilities, marijuana testing facilities, marijuana product manufacturing facilities, marijuana distributors, and retail marijuana stores. For the first 18 months after DOT begins to accept applications for marijuana establishments, DOT can only accept license applications for retail marijuana stores, marijuana product manufacturing facilities, and marijuana cultivation facilities from persons holding a medical marijuana establishment registration certificate.

Similarly, for the first 18 months from the date DOT begins to accept applications for marijuana establishments, DOT can only issue marijuana distributor licenses to persons holding a Nevada wholesale liquor dealers' license, unless DOT determines an insufficient number of marijuana distributors will result from this limitation pursuant to NRS 453D.210(3). On March 28, 2017, DOT, finding that an insufficient number of marijuana distributors will result from marijuana distributorship licenses to only Nevada licensed wholesale liquor dealers, will consider applications for marijuana distributors from medical marijuana establishments holding a medical marijuana registration certificate in good standing and applicants currently in the business of transporting medical marijuana and whose employees hold valid agent cards pursuant to NRS 453A.332.

In a memo, dated August 29, 2013, from Deputy Attorney General James M. Cole to all United States attorneys ("the Cole memo"), guidance is provided regarding marijuana enforcement. The Cole memo outlines the following eight enforcement priorities that are of particular importance to the federal government:

- (a) Preventing the distribution of marijuana to minors;
- (b) Preventing revenue from the sale of marijuana from going to criminal enterprises, gangs, and cartels;
- (c) Preventing the diversion of marijuana from states where it is legal under state law in some form to other states;
- (d) Preventing state-authorized marijuana activity from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity;
- (e) Preventing violence and the use of firearms in the cultivation and distribution of marijuana;
- (f) Preventing drugged driving and the exacerbation of other adverse public health consequences associated with marijuana use;
- (g) Preventing the growing of marijuana on public lands and the attendant public safety and environmental dangers posed by marijuana production on public lands; and
- (h) Preventing marijuana possession or use on federal property.

In the Cole memo, there is an expectation that states and local governments will implement strong and effective regulatory and enforcement systems that will address any threat to public safety, public health, and other law enforcement interests. Such systems must contain robust

written controls and procedures that are effective in practice. Jurisdictions that have implemented strong and effective regulatory and enforcement systems to control the cultivation, distribution, sale, and possession of marijuana and conduct in compliance with those laws and regulations are less likely to threaten the federal priorities. A robust system may affirmatively address those priorities by, for example, implementing effective measures to prevent diversion of marijuana outside of the regulated system and to other states, prohibiting access to marijuana by minors, and replacing an illicit marijuana trade that funds criminal enterprises with a tightly regulated market which tracks and accounts for revenues. It is the Board of County Commissioners' intent to provide such a strong and effective regulatory and enforcement system to control the cultivation, distribution, sale and possession of marijuana and to be cognizant of the eight enforcement priorities in the Cole memo.

It is found and declared that the public health, safety and welfare of the inhabitants of the unincorporated areas of the County, require the regulation and control of all persons engaged in, associated with, or in control of, the business of retail marijuana establishments. All such persons, as defined in this chapter, shall be licensed and regulated so as to protect the public health, safety and general welfare of the inhabitants of the unincorporated areas of the County and to safeguard the public. It is further found and declared that the right to obtain such a license is a privilege and that the operation of such a retail marijuana establishment, when authorized by such license, is a privileged business subject to regulations, and that the license may be revoked for violation of the conditions of this chapter. In the event of a conflict with any of the provisions contained in any applicable chapter of Title 6 or 7 of the Clark County Code, the provisions of this chapter shall be controlling.

8.65.010 - Definitions.

The words and terms contained in this chapter shall have the meaning ascribed in this section unless a different meaning clearly appears in the context.

8.65.010.005 - Community facility.

"Community facility" means:

- (a) A facility that is licensed to provide day care to children.
- (b) A public park.
- (c) A public playground.
- (d) A public swimming pool.
- (e) A center or facility, the primary purpose of which is to provide recreational opportunities or services to children or adolescents.
- (f) A church, synagogue, or other building, structure or place used for religious worship or other religious purpose.

8.65.010.010 - County.

"County" means, unless otherwise indicated, the unincorporated areas of Clark County, Nevada.

8.65.010.020 - Department.

"Department" means, unless otherwise indicated, the Department of Business License of Clark County, Nevada.

8.65.010.025 - Department of Taxation ("DOT").

"DOT" means the Nevada Department of Taxation.

8.65.010.030 - Division.

"Division" means the Division of Public and Behavioral Health of the Nevada Department of Health and Human Services.

8.65.010.035 - Gross revenue.

"Gross revenue" means all revenue received by the marijuana establishment from sales, service and other business transactions, including the value of product or services traded in exchange for other products or services (i.e., bartering), minus deductions only for returns, refunds, and discounts, and excluding any sales tax or excise tax paid to the state.

8.65.010.040 – Inventory control system.

"Inventory control system" means a process, device or other contrivance that may be used to monitor the chain of custody of marijuana from the point of cultivation to the end consumer.

8.65.010.045 - Marijuana.

(a) "Marijuana" shall have the meaning ascribed to it in NRS 453D.030 and means:

- (1) All parts of any plant of the genus Cannabis, whether growing or not;
- (2) The seeds thereof;
- (3) The resin extracted from any part of the plant; and

(4) Every compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds or resin.

(b) "Marijuana" does not include:

(1) the mature stems of the plant, fiber produced from the stems, oil or cake made from the seeds of the plant; or

(2) any other compound, manufacture, salt, derivative, mixture or preparation of the mature stems (except the resin extracted therefrom), fiber, oil or cake, the sterilized seed of the plant which is incapable of germination; or

(3) the weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink or other products.

8.65.010.050 – Marijuana Cultivation facility.

"Marijuana cultivation facility" shall have the meaning ascribed to it in NRS 453D.030 and means a business that:

(a) Is licensed with DOT to cultivate, process, and package marijuana to sell to retail marijuana stores and marijuana product manufacturing facilities and other marijuana cultivation facilities, but not to consumers; and

(b) Has marijuana tested by a marijuana testing facility.

8.65.010.055 - Marijuana distributor.

"Marijuana distributor" shall have the meaning ascribed to it in NRS 453D.030(10) and means an entity licensed to transport marijuana from a retail marijuana establishment to another retail marijuana establishment.

8.65.010.060 – Marijuana establishment.

"Marijuana establishment" shall have the meaning ascribed to it in NRS 453D.030 (11) and means a marijuana cultivation facility, a marijuana testing facility, a marijuana product manufacturing facility, a marijuana distributor, or a retail marijuana store.

8.65.010.065 – Marijuana establishment agent.

"Marijuana establishment agent" means an owner, officer, board member, employee or volunteer of a retail marijuana establishment, an independent contractor who provides labor relating to the cultivation, processing, or distribution of marijuana or the production of marijuana or marijuana products for a retail marijuana establishment, or an employee of such a contractor.

8.65.010.075 – Marijuana product manufacturing facility.

"Marijuana product manufacturing facility" shall have the meaning ascribed to it in NRS 453D.030(12) and means a business that is licensed to purchase marijuana, manufacture, process, and package marijuana and marijuana products, and sell marijuana and marijuana products to other marijuana product manufacturing facilities and to retail marijuana stores, but not to consumers.

8.65.010.080 - Marijuana products.

"Marijuana products" shall have the meaning ascribed to it in NRS 453D.030(13) and means products comprised of marijuana or concentrated marijuana and other ingredients that are intended for use or consumption, such as, but not limited to, edible products, ointments, and tinctures.

8.65.010.085 – Marijuana testing facility.

(a) "Marijuana testing facility" shall have the meaning ascribed to it in NRS 453D.030 (15) and means an entity licensed to test marijuana and marijuana products, including for potency and contaminants.

(b) Marijuana testing facilities shall employ testing protocols to ensure reliable results, including, but not limited to, the measurement levels of potency and microbial in products and make those testing protocols available to the Department upon request.

8.65.010.090 – Master marijuana establishment license.

A master marijuana establishment license allows the operation of both a medical marijuana establishment and a retail marijuana establishment by the owner of a single premises comprised of one or more permanent structures.

8.65.010.095 – Retail marijuana establishment.

"Retail marijuana establishment" means a marijuana establishment as defined in 8.65.010.060 of this Code that is licensed by DOT and the Department for the operation of a marijuana cultivation facility, a marijuana testing facility, a marijuana product manufacturing facility, a marijuana distributor, or a retail marijuana store.

8.65.010.100 - Retail marijuana establishment license.

A retail marijuana establishment license allows for the operation of a retail marijuana establishment by the holder of a marijuana establishment license issued by DOT.

8.65.010.105 – Retail marijuana store.

“Retail marijuana store” shall have the meaning ascribed to it in NRS 453D.030 (18) and means an entity licensed to purchase marijuana from cultivation facilities, to purchase marijuana and marijuana products from marijuana product manufacturing facilities and retail marijuana stores and to sell marijuana or marijuana products to consumers.

8.65.030 - Compliance with state and county laws and regulations.

Marijuana establishment licensees must comply with all applicable state and County laws, rules and regulations, including, but not limited to, NRS 453D, NAC 453D, and Chapters 6.04, 6.08 and Title 8 and Title 30 of the County Code.

8.65.040 - License required.

It is unlawful for anyone to operate a marijuana establishment without first obtaining a County business license. In order to obtain a business license, a special use permit must be obtained from the County Comprehensive Planning Department and a marijuana establishment license must be obtained from DOT.

8.65.050 - Application for a business license.

Upon the receipt of a marijuana establishment license from DOT, each proposed marijuana establishment to be located within the unincorporated areas of the County must apply for a County business license on forms approved by the Director and provide such other information as the Director may require including, but not limited to, information to determine the suitability of the applicant and the operational plan to operate a retail marijuana establishment. The grounds for denial of an application for a business license are found in Section 8.65.250 of this Code.

8.65.060 - Public safety inspections.

Prior to the issuance of a business license for a marijuana establishment, and thereafter annually, all of the applicable public safety inspections, including, but not limited to, building, fire, air quality and health, must be completed and any deficiencies or areas of concern corrected or resolved to the satisfaction of the inspecting agencies. Any required permits or approvals must be obtained and any associated fees must be paid by the marijuana establishment.

8.65.065 – Confidential and private consultation.

A retail marijuana store licensed under this Chapter must accommodate a customer's request for a confidential and private consultation within a partitioned space not less than 25 square feet.

8.65.070 - Suitability investigation.

The Department may, in order to determine suitability, conduct a background investigation on anyone having a financial interest in a marijuana establishment including, but not limited to, a lender of funds or other assets.

8.65.080 - Application fee.

For each application for a business license for a marijuana establishment, the applicant shall pay a one-time, nonrefundable application fee. The application fee shall be one thousand five hundred dollars for each application, unless an applicant submits applications at the same time for more than one marijuana establishment for the same location and the marijuana establishment is under the name of the same legal entity and the same ownership. The application fee for more than one marijuana establishment filed at the same time for the same location with the same legal entity and ownership shall be one thousand five hundred dollars for the first application and five hundred dollars for each additional application.

8.65.090 - License fees.

(a) Each retail marijuana establishment licensee, other than a marijuana testing facility licensee and a marijuana distribution licensee, shall pay:

(1) a quarterly license fee of:

(A) One percent of the gross revenue that does not exceed one hundred fifty thousand dollars per calendar quarter year; and also

(B) Two percent of the gross revenue that exceeds one hundred fifty thousand dollars per calendar quarter year and does not exceed four hundred thousand dollars per calendar quarter year; and also

(C) Three percent of the gross revenue that exceeds four hundred thousand dollars per calendar quarter year; and

(b) a quarterly fee of two hundred fifty dollars, if the retail marijuana establishment transfers or delivers marijuana or marijuana products to another retail marijuana

establishment with common ownership and no sales transaction occurs between the two retail marijuana establishments.

(c) Each marijuana distributor licensee shall pay a quarterly fee of \$250.00.

(d) Each marijuana testing facility licensee shall pay a semiannual license fee which is determined by the schedule in Section 6.12.995 of the Code based on the amount of semiannual gross revenue. All such license fees shall be due and subject to any applicable late fees pursuant to Section 6.04.060 of this Code.

(d) All quarterly license fees are due on the last day of each calendar quarter. If the payment is received after fifteen days and before thirty days after the due date, ten percent of the total license fee due shall be assessed as a penalty charge. In addition to the above ten percent penalty, if the payment is received more than thirty days after the due date, a reinstatement fee of fifteen percent of the total license fee due shall be assessed. If reinstatement does not occur within sixty days, the license shall be deemed expired and may be reinstated upon filing a request for reinstatement with the Director, a showing of good cause, and a payment of double license fees for the delinquent period as a penalty charge. If reinstatement does not take place within ninety days following the calendar quarter, the license is deemed terminated and any application for licensure shall be processed as a new license application rather than as a reinstatement and the licensee shall remain liable for the delinquent fees, including the double license fee penalty charge.

8.65.100 - Subject to investigation, inspection and audit.

All licenses are subject to the condition that the licensed premises may, without notice, be inspected for compliance with state and County laws and regulations. Department of Business License investigators, Air Quality investigators, agents or other County designees have the right to enter the licensed premises for the purpose of investigation, inspection or audit of the operations, books and records. Licensees shall not refuse such right to enter the premises to inspect or investigate the premises, facilities, qualifications of personnel, methods of operations, policies and purposes of any marijuana establishment and of any person proposing to engage in the operation of a marijuana establishment or to audit the books and records. An inspection of a facility may include, without limitation, investigation of standards for public safety and may be conducted jointly with state and other local government agencies as well as law enforcement agencies.

8.65.110 - Support businesses to retail marijuana establishments.

(a) Businesses that support retail marijuana establishments located within unincorporated Clark County or that provide services within unincorporated Clark County and are not involved with the cultivation, production, retail sale or testing of marijuana or marijuana products that would require a marijuana establishment license from DOT or a retail marijuana establishment business license pursuant to this chapter, are required to apply for and obtain a County business license for a retail marijuana support business. The term "retail marijuana support business," as used in this chapter, means a business that:

- (1) is required to obtain a Clark County business license pursuant to Titles 6, 7 or 8 of the Code;

(2) is engaged in marijuana support business activities in unincorporated Clark County; and

(3) more than fifty percent of the business' total annual revenue from all sales and services within Clark County is derived from providing marijuana products or services as described in this section.

(b) Retail marijuana support businesses provide products or services to retail marijuana establishments including, but not limited to:

(1) Security services;

(2) Consulting services;

(3) Insurance coverage for a marijuana establishment;

(4) Accounting services;

(5) Financial services;

(6) Real estate services;

(7) Vaporizer products;

(8) Packaging and labeling supplies; and

(9) Devices and other equipment that are necessary or useful for a person to engage in the use of marijuana.

(c) The Department may, in order to determine suitability, conduct a background investigation on anyone having a financial interest in a retail marijuana support business including, but not limited to, a lender of funds or other assets. Retail marijuana support businesses that are required to obtain a County business license shall pay a semiannual

license fee which is determined by the schedule in Section 6.12.995 of the code based on the amount of semiannual gross revenue of the licensee. All such license fees shall be due and subject to any applicable late fees pursuant to Section 6.04.060 of this Code.

8.65.120 - Product testing and reports.

(a) Upon the request of the Department, a marijuana cultivation facility or a marijuana product manufacturing facility must provide a sample of marijuana or marijuana products to a marijuana testing facility designated by the Department for quality assurance compliance checks in a secure manner such that the marijuana testing facility can confirm that it has received and is testing the correct sample. The marijuana cultivation facility or marijuana product manufacturing facility is responsible for all costs involved in screening and testing performed pursuant to this section.

(b) Upon the request of the Department, a marijuana testing facility shall perform verification of the effectiveness of testing protocols through inter-laboratory tests performed independently several times, proficiency tests, and random verification tests, and provide the Department with readily accessible laboratory test results of any marijuana or marijuana products upon request.

(c) A marijuana testing facility must comply with all applicable laws, regulations and rules of NRS 453D, NAC 453D, NRS 453A and NAC 453A. The Director may request reports from a marijuana testing facility on a random sample basis or on a test of specific samples or may request that certain samples of marijuana or marijuana products from a marijuana cultivation facility or marijuana product manufacturing facility be tested and

an independent marijuana testing facility shall provide such reports at no charge to the Department.

(d) The marijuana testing facility that receives a sample pursuant to Subsection (c) shall, as directed by the Department, perform any quality assurance test deemed necessary by the Department and report the results to the Director.

8.65.130 - Sale or production of products.

It is unlawful for:

(a) A marijuana testing facility to sell, at retail or wholesale, any marijuana or marijuana products to anyone;

(b) A retail marijuana cultivation facility to sell any marijuana to anyone other than a retail marijuana product manufacturing facility, a licensed marijuana retail store or another licensed retail marijuana cultivation facility;

(c) A retail marijuana product manufacturing facility to sell any marijuana or marijuana products to anyone other than a licensed marijuana retail store or another retail marijuana product manufacturing facility;

(d) A retail marijuana product manufacturing facility to:

(1) Produce marijuana-infused beer, wine or spirits; or

(2) Compound marijuana with over the counter or prescription drugs;

(e) A marijuana retail store to:

(1) Sell marijuana or marijuana products to another licensed marijuana retail store;

or

(2) To sell or provide to an individual under 21 years of age;

(A) Marijuana;

(B) Marijuana products; or

(C) Accessories, devices and other equipment that are necessary or useful for a person to engage in the use of marijuana.

8.65.133 – Transport of marijuana and marijuana products by a marijuana distributor.

(a) A retail marijuana distributor shall not transport or deliver any marijuana or marijuana products other than between:

(1) A retail marijuana establishment and another retail marijuana establishment;
and

(2) Between the buildings of the retail marijuana establishment.

(b) A retail marijuana distributor may not purchase or sell marijuana or marijuana products unless they hold another license that allows for the purchase or sale of marijuana and marijuana products.

(c) Before transporting marijuana or marijuana products pursuant to subsection (a) of this section, a retail marijuana distributor must:

(1) Complete a trip plan that includes, without limitation:

(A) The name of the marijuana establishment agent in charge of the transportation;

(B) The date and start time of the trip;

(C) A description, including the amount, of the marijuana or marijuana products being transported; and

(D) The anticipated route of transportation.

(2) Provide a copy of the completed trip plan pursuant to subsection (c)(1) of this section to the retail marijuana establishment for which he or she is providing the transportation.

(3) Record the trip plan in the inventory control tracking system approved by DOT if such a system is available.

(d) During the transportation of marijuana or marijuana products pursuant to

subsection (c)(1) of this section, the retail marijuana distributor agent must:

(1) Carry a copy of the completed trip plan pursuant to subsection (a) of this section with him or her for the duration of the trip;

(2) Have his or her marijuana establishment agent card in his or her immediate possession;

(3) Use a vehicle without any identification relating to marijuana and which is equipped with a secure lockbox or locking cargo area which must be used for the sanitary and secure transportation of marijuana or marijuana products;

(4) Have a means of communicating with the marijuana establishment for which he or she is providing the transportation; and

(5) Ensure that all marijuana or marijuana products are not visible from outside of the vehicle.

(e) After transporting marijuana or marijuana products pursuant to subsection (a) of this section by a marijuana establishment agent, enter the end time of the trip and any changes to the trip plan that was completed pursuant to subsection (c)(1) of this section.

(f) Each marijuana establishment agent transporting marijuana or marijuana products pursuant to subsection (a) of this section must:

(1) Report any vehicle accident that occurs during the transportation to a person designated by the marijuana distributor to receive such reports within 2 hours after the accident occurs; and

(2) Report any loss or theft of marijuana or marijuana products that occurs during the transportation to a person designated by the marijuana distributor to receive such reports immediately after the marijuana establishment agent becomes aware of the loss or theft. A marijuana distributor that receives a report of loss or theft pursuant to this paragraph must immediately report the loss or theft to the appropriate law enforcement agency and to the Department.

(g) A marijuana distributor shall:

(1) Maintain all of the documents required in subsection (h) of this section; and

(2) Provide a copy of each of the documents required in subsection (h) of this section to the Department for review upon request.

(3) Each marijuana distributor shall maintain a log of all reports received pursuant to subsection 6 (A) and (B) of this section.

(h) Unless extenuating circumstances exist, a marijuana distributor may not store marijuana or marijuana products overnight for any reason and must make direct delivery. If extenuating circumstances exist, the marijuana distributor must notify the Department of the extenuating circumstances as soon as possible.

8.65.135 Transportation of marijuana and marijuana products by a marijuana cultivation facility, marijuana testing facility, marijuana product manufacturing facility and marijuana retail store.

(a) A retail marijuana cultivation facility, marijuana testing facility, marijuana product manufacturing facility, or retail marijuana store may transport marijuana and marijuana products without a retail marijuana distributor license as follows:

(1) A retail marijuana cultivation facility or a retail marijuana product manufacturing facility may transport marijuana and marijuana products to or from a retail marijuana testing facility, a retail marijuana cultivation facility or a retail marijuana product manufacturing facility.

(2) A retail marijuana testing facility may transport marijuana and marijuana products to or from a testing facility for testing.

(3) A retail marijuana store may transport marijuana and marijuana products to or from a marijuana testing facility.

8.65.140 - Delivery of products to consumers.

The delivery of marijuana and marijuana products to consumers is prohibited within the Las Vegas Boulevard Gaming Corridor or an H1 Zone as defined in Title 30 of this Code, and on

the premises of any restricted or non-restricted gaming licensee. A marijuana establishment agent authorized by the marijuana retail store may deliver any of the products identified in Subsection 8.65.130(e)(2)(A)—(C) of this Code from the marijuana retail store located within unincorporated Clark County to a consumer within Clark County only when the retail marijuana store:

- (1) Before transportation, confirms verbally with the consumer by telephone that the consumer is 21 years of age or older and ordered the marijuana product and verify the identity of the consumer; and
- (2) Enters the details of the confirmation obtained pursuant to paragraph (b) of this section in a log which must be available for inspection by the appropriate law enforcement agency and the Department; and
- (3) Reviews and documents the government issued identification to determine the consumer's age and secure a signature from the consumer when the items are delivered and may only leave items with the consumer; and
- (4) Limits the amount of marijuana to not more than one ounce per consumer and not more than ten ounces in the vehicle; and
- (5) Complies with all other delivery and transportation regulations in NAC 453D (LCB File No. T002-117).

8.65.160 - Duties of licensee.

It is the affirmative duty of each holder of a retail marijuana establishment license to strictly comply with all of the applicable provisions of this Code and state statutes and regulations

regulating retail marijuana establishments and, without limiting the generality of the foregoing, each holder of a retail marijuana establishment license must:

(a) Maintain and conduct all activities upon the premises in a decent and respectful manner and shall not knowingly permit, within or upon the licensed premises, any use or consumption of any marijuana or marijuana products, or permit any conditions that could cause disorder, disturbances, excessive loitering, nuisances or other activities which endanger the health or safety of the patrons or disrupt the peace or order of the neighborhood;

(b) Be responsible for the acts of his or her employees, agents and volunteers when they are performing their duties for the retail marijuana establishment;

(c) Maintain adequate security to ensure compliance with the requirements of this chapter, NRS 453D and NAC 453D;

(d) Operate and maintain the retail marijuana establishment in a professional, orderly and dignified manner that is consistent with the positive image, quality, perception and appearance of the community;

(e) Not promote or advertise the retail marijuana establishment in a manner that is inconsistent with the traditional style of advertising for alcohol and tobacco products;

(f) Provide a Clark County Business License customer service card as part of the establishment's educational materials;

(g) Seek and obtain all necessary DOT approvals for signs and advertising;

(h) Comply with and adhere to all public safety requirements and conditions from any inspection agency, including, but not limited to, occupancy and signage requirements set forth by the fire department, department of air quality, building department and health district; and

(i) Remain qualified to hold a license pursuant to this chapter of the Code and State law.

For the purposes of this section, "premises" means all portions of the building in which the licensee is located and over which it has control and that area or parking lot over which the licensee has ownership or contractual parking privileges. Licensees shall ensure that their premises remain free of graffiti.

8.65.170 - Disposal of waste.

(a) Marijuana and marijuana products must be stored, secured and managed in accordance with all applicable State and County statutes, regulations, ordinances or other requirements.

(b) Conservation of water is strongly encouraged and liquid waste from marijuana establishments shall be disposed of in accordance with all applicable federal, State and County laws, regulations, rules or other requirements.

(c) Disposal of chemical, dangerous or hazardous waste must be conducted in a manner consistent with federal, State and County laws, regulations, rules and other requirements. This disposal may include, but is not limited to, the disposal of all pesticide or other chemicals used in the cultivation process, certain solvents or other chemicals used in the

production of marijuana concentrates or any marijuana soaked in flammable solvent for purposes of producing a marijuana concentrate.

(d) Solid waste generated from the cultivation of marijuana or marijuana products, including products that have exceeded the expiration date for sale, or from the testing of marijuana or marijuana products must be disposed of in such a manner as to make the waste unusable and unrecognizable and the disposal of marijuana waste must be documented in the inventory control system pursuant to the provisions in NAC 453A.

8.65.180 - Record keeping.

The retail marijuana establishment must maintain adequate and accurate books and records that provide a true accounting of all financial transactions, expenditures and control of inventory and prepare annual financial statements using generally accepted accounting principles. The Director and any other officer designated by the Director shall have the power and authority to enter any marijuana establishment at any time and have access to the books and records of such business for the purpose of ascertaining proper payment of license fees and compliance with all of the applicable provisions of the Clark County Code, NRS 453D, NAC 453D, NRS 453A and NAC 453A. An audit of the financial statements and operations of the business may be conducted by the Department and the information received from the licensee under the provisions of this section shall be deemed confidential and available only to those County officials concerned in such matters.

8.65.190 - Signs and advertising.

A retail marijuana establishment must comply with the requirements provided in Title 30 of the County Code, Chapters 453A and 453D of NRS and Chapters 453A and 453D of NAC regarding signs and advertising, and, in addition, shall not:

(a) Use any advertising material that is misleading, deceptive, false, or that, as evidenced either by the content of the advertising material or by the medium or the manner in which the advertising is disseminated, is designed to appeal to minors;

(b) Advertise or use any advertising material that has not been approved by DOT pursuant to NAC 453D (LCB T002-17 and the Department;

(c) Advertise in a manner that is inconsistent with the positive image, quality, perception and appearance of the community;

(d) Place or maintain, or cause to be placed or maintained, an advertisement for marijuana or marijuana products in any form or through any medium whatsoever:

(1) Within one thousand feet of the perimeter of a community facility or a public or private school that provides formal education traditionally associated with preschool or kindergarten through grade 12;

(2) On or in a public transit vehicle or public transit shelter; or

(3) On or in a publicly owned or operated property.

The restrictions set forth above shall not apply to:

(A) Any sign as defined in CCC Title 30 which is located on the same lot as the marijuana establishment, that exists for the purpose of identifying the location of the marijuana establishment, and otherwise complies with the state regulatory

authority, the conditions of approval of the license, conditions of the approved special use permit and other applicable County laws and regulations; or

(B) Advertising which is purely incidental to sponsorship of a charitable event by a marijuana establishment or recognition by a charitable event or organization of donations made by a marijuana establishment.

8.65.200 - State license.

If the marijuana establishment license that is issued by DOT to the retail marijuana establishment is suspended, revoked, non-renewed or relinquished, then the County business license will simultaneously and automatically be suspended, revoked, non-renewed or relinquished and the license must immediately be returned to the Department.

8.65.210 - Change in ownership or location.

Any change in ownership of a retail marijuana establishment that does not involve a transfer of all or substantially all of the assets of the marijuana establishment or involves a transfer of less than ten percent of the stock of a marijuana establishment; or any change of the location of a marijuana establishment must be reported to the Department on forms approved by the Director before any such change occurs.

8.65.220 - Change in other information.

Changes in information previously provided to the Department by a retail marijuana establishment must be submitted to the Department on forms approved by the Director prior to the changes being made, including, but not limited to, any changes in the establishments:

(a) Fictitious firm name;

(b) Telephone number, mailing address or electronic mail address;

(c) Business plan or operating plan;

(d) Security plan;

(e) Transportation plan;

(f) Odor control plan;

(g) Advertising plan; and

(h) Any other change essential to the operation of the marijuana establishment.

8.65.230 - Annual renewal of retail marijuana establishment business license.

A retail marijuana establishment license must be renewed each year following the renewal of its license issued by DOT. The marijuana establishment must submit to the Department an updated business plan and evidence that DOT has renewed its business license. A marijuana establishment business license will expire each year on December 31 and any renewal of the license will commence on January 1 of the subsequent year.

8.65.240 - Local community benefit and involvement.

Providing benefit to and involvement in the local community by retail marijuana establishments is very desirable. One of the main goals of a master marijuana establishment licensee must be to provide medical patients that have a valid registry identification card access to medical marijuana for the purpose of treating their medical conditions. Another main goal of a retail marijuana establishment must be to educate consumers of the prohibition of possession and

consumption of marijuana within the Las Vegas Boulevard Gaming Corridor, H1 Zones and on the premises of any restricted or non-restricted gaming licensee. Benefit to the local community could include discounts to low-income patients and contributions to worthy causes. A report detailing the establishment's local community benefit and involvement must be submitted to the Department upon request by the Director.

8.60.250 - Denial of an application; suspension or revocation of a license.

(a) The Department will deny an application or an application to renew a retail marijuana establishment business license if:

(1) The application or the retail marijuana establishment is not in compliance with any provision of this chapter or Chapter 453D of NRS.

(2) An owner, officer or board member of the retail marijuana establishment:

(A) Is an employee or contractor of the Department;

(B) Has an ownership or financial investment interest in a retail marijuana testing facility or independent testing laboratory and also is an owner, officer or board member of a medical marijuana establishment or a retail marijuana establishment.

(C) Provides false or misleading information to the Department.

(b) The Department will revoke a retail marijuana establishment business license if the Department receives formal notice from DOT that the retail marijuana establishment has had its State marijuana establishment business license terminated, or had its registration certificate issued by the Division terminated.

(c) The Department may deny an application or an application to renew a retail marijuana establishment business license or may suspend or revoke any retail marijuana establishment business license issued under the provisions of this chapter upon the following grounds:

(1) Violation by the applicant or the retail marijuana establishment of any of the provisions of this Code or NRS 453A, NRS 453D, NAC 453A, or NRS 453D.

(2) An owner, officer or board member of the establishment has been convicted of an excluded felony offense as defined by NRS 453A.104;

(3) The failure or refusal of an applicant or retail marijuana establishment to comply with any of the provisions of this Code or NRS 453A, NRS 453D, NAC 453A, or NAC 453D.

(4) The failure or refusal of a retail marijuana establishment to carry out their policies and procedures or to be in compliance with the statements and representations provided to the Department in the application of the retail marijuana establishment.

(5) Operating a retail marijuana establishment without a retail marijuana establishment or master marijuana establishment business license.

(6) The failure or refusal to return an adequate plan of correction to the Department within ten business days after receipt of a statement of deficiencies.

(7) The failure or refusal to correct any deficiency specified by the Department within the period specified in a plan of correction.

(8) The failure or refusal to cooperate fully with an investigation, inspection or audit by the Department or any law enforcement agency.

(9) The failure to comply with the provisions of this chapter regarding the payment of business license fees.

(10) The failure to comply with any condition placed upon the retail marijuana establishment business license when the license was issued or any condition or requirement made by a public safety inspecting agency.

(d) If the Department denies an application for or an application to renew a retail marijuana establishment business license or suspends or revokes a retail marijuana establishment business license, the Department must provide notice to the applicant or retail marijuana establishment that includes the reasons for the denial, suspension or revocation.

(e) Before denying an application for or an application to renew a retail marijuana establishment business license or suspending or revoking a retail marijuana establishment business license as a result of the actions of an owner, officer or board member of the retail marijuana establishment pursuant to subsection (a) (1) or subsection (a) (2) of this section, the Department may provide the retail marijuana establishment with an opportunity to correct the situation.

(f) Any such denial, suspension or revocation shall become effective ten working days after the notification to the applicant or retail marijuana establishment has been given to the applicant or licensee. The notice shall be deemed delivered when physically hand-delivered to the applicant or an owner, officer or board member of the retail marijuana

establishment, or on the date that the notification was deposited with the U.S. Postal Service and mailed by certified mail, return receipt requested, to the address listed on the business license.

8.65.260 - Emergency temporary suspension.

(a) The Director may issue an emergency temporary suspension order on any business licensed under the provisions of this chapter of the Code, for cause, or upon documented Code violations, or upon specific acts which endanger the public welfare, where such emergency temporary suspension is deemed necessary for the immediate preservation of the public peace, health, safety, order or welfare.

(b) The emergency temporary suspension order shall be delivered to the licensee and must set forth in writing the grounds upon which it is issued, including a statement of facts constituting the alleged emergency necessitating such temporary suspension. The order shall also set forth the date, time, and place for the licensee to appear before the hearing officer to show cause in the matter. The date set for the hearing shall not exceed five working days after issuance of the emergency temporary suspension order.

(c) The emergency temporary suspension order is effective upon issuance and the licensee shall immediately cease operations upon delivery of the order to the business.

(d) Hearings for emergency temporary suspensions shall be conducted pursuant to Section 8.65.270 of this Code.

8.65.270 - Appeal of denial, suspension, revocation or nonrenewal.

An applicant or marijuana establishment that has received a notice from the Department that his or her application for or application to renew a retail marijuana establishment business license or his or her retail marijuana establishment business license will be or has been denied, suspended or revoked may appeal such decision by filing a written objection with the Department within thirty calendar days of the notification.

If the written objection is not submitted within thirty calendar days of the notification: (1) the denial, suspension, revocation or nonrenewal of a license shall become final, and (2) the Director of Business License shall have the authority to take possession of the license, if any had been issued.

The written appeal shall include, at a minimum: (1) a copy of the Department's notice of action or decision; and (2) a written statement detailing the applicant or licensee's arguments against each alleged act of noncompliance contained in the notice of denial, suspension, revocation, nonrenewal, or notice to appear to show cause.

Except for an emergency temporary suspension, once a written objection has been received by the Department, the appeal shall automatically stay such suspension or revocation pending the outcome of the appeal. A date will be set for the appeal to be heard by a hearing officer. If requested by the appellant or hearing officer, the Department may grant a postponement to a later regularly scheduled hearing if such request is made in writing and for good cause. At least ten working days prior to the hearing date, the applicant or licensee will be notified of the date, time and place of the hearing at which time the applicant or licensee may present his or her case regarding the denial, suspension, revocation or nonrenewal and may present documents and/or witnesses to support his or her position. The hearing officer shall hear the testimony of all

witnesses and review all documents and exhibits submitted in the hearing proceeding by the parties. The hearing officer may affirm, reverse, or modify the action of the Director. Following the hearing, the hearing officer will make a decision based on the facts presented and prepare a decision that will be sent to the applicant or licensee within ten working days after the close of the hearing.

If the Director of Business License, or other person aggrieved is dissatisfied with the hearing officer's decision, he or she may file for a petition for judicial review with the district court.

8.65.280 - Hearing requirements.

(a) At the hearing, all witnesses shall be sworn before the hearing officer.

(b) The applicant or licensee shall be required to attend the hearing and may be called as a witness. An applicant or licensee that does not testify on his or her own behalf, may be called and examined, as if under cross-examination, by the Department or the Department's counsel. Failure of the applicant or licensee to attend the hearing, without good cause, shall result in affirmation of the Director's decision.

(c) The applicant or licensee shall bring to the hearing all licenses, permits, or certificates issued to the applicant or licensee.

(d) The parties to the hearing may, at their own expense, be represented by an attorney.

(e) The hearing officer shall not be required to transcribe testimony at a hearing. It shall be the sole responsibility of the party desiring a transcript of the proceeding to provide a certified court reporter. Said transcript shall become a part of the hearing record and be available for all parties and the hearing officer to review.

(f) The burden of proof is upon the appellant to convince the hearing officer that errors were made in denying, revoking, suspending, issuing an order for emergency temporary suspension, or refusing to renew a license.

(g) Every party to a hearing shall be able to:

(1) Call and examine witnesses;

(2) Introduce exhibits relevant to the issues of the case;

(3) Cross-examine opposing witnesses on matters relevant to the issues of the case, even though the matter was not covered in a direct examination;

(4) Impeach any witness regardless of which party first called him or her to testify; and

(5) Offer rebuttal evidence.

8.65.290 - Hearing evidence.

(a) The hearing officer shall not be bound by technical rules relating to evidence and witnesses and shall control the evidence, reserving to himself/herself the power to exclude testimony or exhibits they do not consider relevant.

(b) Hearing evidence may include:

(1) Business records; copies of official police reports; and investigation reports from the Department or other agencies, if the hearing officer deem them relevant to the pleadings;

(2) Any other evidence deemed relevant by the hearing officer. Such evidence may be admitted and shall be sufficient to support a finding if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in a civil action.

SECTION 2. Title 12, Section 12.06.030 of the Clark County Code is amended to read as follows:

12.06.030 - Exemptions.

The prohibition contained in this chapter shall not apply to manufacturers, wholesalers, jobbers, licensed medical technicians, technologists, nurses, hospitals, research teaching institutions, clinical laboratories, medical doctors, osteopathic physicians, dentists, chiropodists, veterinarians, pharmacists, licensed medical marijuana establishments, licensed retail marijuana establishments or embalmers in the normal lawful course of their respective businesses or professions, nor to common carriers or warehousemen or their employees engaged in the lawful transportation of such paraphernalia, nor to public official duties, nor to persons suffering from diabetes, asthma, or any other medical condition requiring self-injection, as prescribed by a licensed physician.

SECTION 3. Title 24, Section 24.34.030 of the Clark County Code is amended to read as follows:

24.34.030 - Exceptions.

The provisions of Section 24.34.020 do not apply to:

- (a) Hand watering;
- (b) Irrigation of new lawns, for a period of thirty days from planting or the date of installation;
- (c) Irrigation by commercial gardens, plant nurseries, retail marijuana cultivation establishments or medical marijuana cultivation facilities licensed in accordance with Title 6 or Title 8 of this code, provided the licensee or his representative are personally on the premises at the time watering is taking place;
- (d) Irrigation system testing; provided, that the testing does not exceed two minutes and the individual conducting the test must be present and observe sprinkler performance;
- (e) Syringing; provided, that it does not exceed three minutes and the individual operating the sprinklers must be present and observe the sprinklers running;
- (f) Landscape irrigation audits; provided, that the audits do not exceed five minutes for pop-up spray heads and fifteen minutes for impact and rotor heads, and the auditor performing the test must be present and observe sprinkler performance;
- (g) Irrigation from a subsurface watering system.

SECTION 4. If any section of this ordinance or portion thereof is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such holding shall not invalidate the remaining parts of this ordinance.

SECTION 5. All ordinances, parts of ordinances, chapters, sections, subsections, clauses, phrases or sentences contained in the Clark County Code in conflict herewith are hereby repealed.

SECTION 6. This ordinance shall take effect and be in force from and after its passage and the publication thereof by title only, together with the names of the County Commissioners voting for or against its passage, in a newspaper published in and having a general circulation in Clark County, Nevada, at least once a week for a period of two (2) weeks.

PROPOSED on the 16th day of May, 2017.

PROPOSED BY: Commissioner Steve Sisolak

PASSED on the 6th day of June, 2017.

AYES: Susan Brager

Lawrence L. Brown III

Chris Giunchigliani

Marilyn Kirkpatrick

Mary Beth Scow

Steve Sisolak

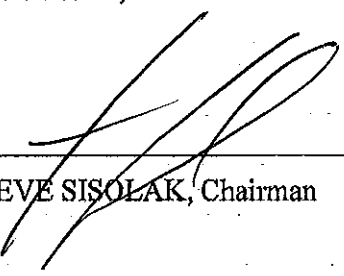
Lawrence Weekly

NAYS: None

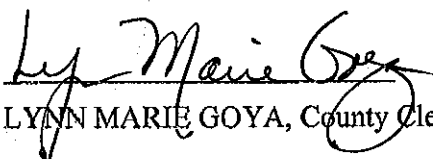
ABSTAINING: None

ABSENT: None

BOARD OF COUNTY COMMISSIONERS
CLARK COUNTY, NEVADA

BY: 
STEVE SISOLAK, Chairman

ATTEST:


LYNN MARIE GOYA, County Clerk

This ordinance shall be in force and effect from and after

the 20th day of June 2017.